

## CASE STUDY

# Automating the Bill Payment Process of One of the World's Largest Multinational Companies with FourQ

With a market cap of \$200 billion, a multinational company operating nine business units across 170+ countries faced significant bill payment challenges. Each of the corporation's businesses secured their own IT contracts with vendors, which made total enterprise IT spend far higher than if it was centrally negotiated for all business units.

Broadening its focus from corporate security and overhead administration, the multinational's shared services team began determining how it could reduce IT costs and eliminate inefficiencies by automating the bill payment process.

## Selecting a Transformative Solution

To meet its centralized billing goals, the multinational's shared services team realized it needed a full-service solution for automating and centralizing global invoice management processes, from invoice receipt and qualification through validation and approval. That's why Paymaster by FourQ became the solution of choice. Every other solution in the consideration set did either expense management or accounting allocation, but not both.

100% cloud-based, Paymaster automates and centralizes the global vendor invoice management process. By automating manual AR/AP processes, efficiency, and productivity skyrocket. It strengthens and simplifies vendor relationships and services with on-time payments. It automates tax optimization and reduces related costs while delivering balance sheet compliance and transparency. Paymaster also provides the procurement team with all the insights they need for better decision-making about what they're consuming, how they're consuming it, if they should continue to consume as they are, and who they are getting it from.

Beyond the Paymaster solution, the multinational also appreciated that FourQ provides all the functionality of a centralized invoicing and payment process. The company's OneBiller solution includes the allocation logic to put costs where they should be on the customer's ledger.

**“We really like how FourQ eliminates business line relationships with vendors and automates internal chargebacks. It benefits both sides of the corporation-vendor relationship by offering global vendor invoice management and by providing standardized digital auditing and consolidation of invoices. We’re also impressed by how easily it integrates with all of our ERP, P2P, and stand-alone solutions.”**

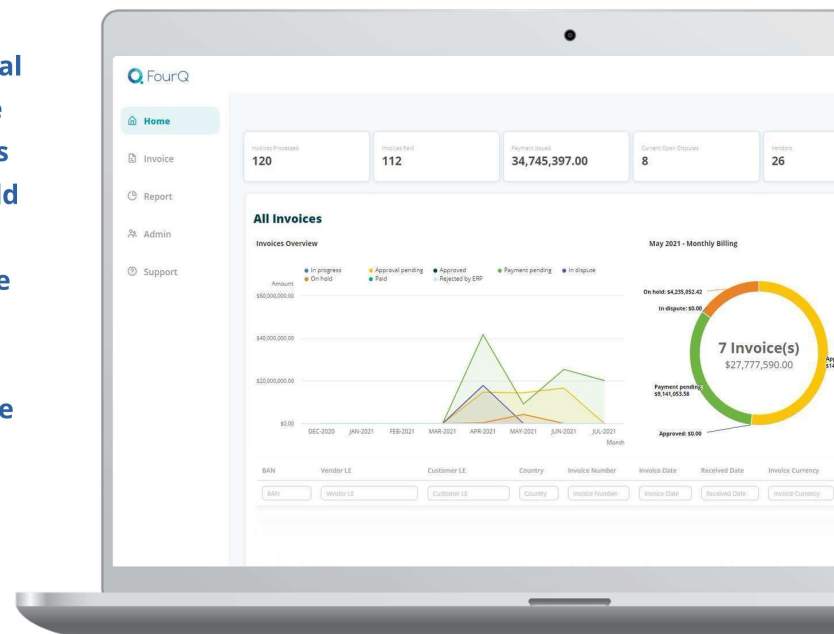
– GLOBAL LEAD, INTERCOMPANY BILLING COE (CENTER OF EXCELLENCE) AT ONE OF THE WORLD’S LARGEST MULTINATIONAL COMPANIES

For the shared services team to maximize the benefits of a new bill payment scheme, it needed to get key stakeholder buy-in. To convince its US businesses to hand over to corporate shared services their volume purchasing responsibilities for multiple types of IT services, the team had to communicate clear and compelling benefits to each of the business units. The business units also required assurance that their essential vendor relationships would be maintained and that no services would be interrupted.

The individual needs of multiple tax authorities also needed to be taken into account. Paymaster has a consistent and complete onboarding process to ensure 100% tax compliance in more than 100 countries globally. When a new vendor is added to the platform or a business begins buying a new service, all the relevant tax information is captured, including VAT tax, and more. This alleviates local tax compliance people having to check that the tax for every transaction is handled correctly based on the latest laws and requirements.

Paymaster by FourQ also supports the e-invoicing and automation processes increasingly required by tax authorities. It maintains the necessary backup for tax and audit purposes, and makes those documents easily accessible through the Paymaster reporting platform.

**28% of the invoices received by the corporation from one of the corporate real estate services firms it worked with were incorrect. When using traditional systems and processes, an entire billing cycle could go by before an error was flagged, and payment was disputed. Corrections to the invoice were causing additional delays. Using Paymaster, the multinational was able to create checks and balances for the vendor. This allowed the vendor to make corrections in-cycle and subsequent payments were made 100% on time.**



## Outcomes Realized

The introduction of the FourQ's methodology and Paymaster helped the multinational client significantly reduce operating costs and improve the efficiency of its bill payment process. It moved 75-85% of IT and telecom transactions, worth hundreds of millions of dollars, onto the platform. This helped the corporation:



Identify \$22M of invoice errors from a service provider in Year 1 of relationship



Negotiate vastly improved terms with its vendors



Avoid tax leakage as well as fees and penalties related to delayed payments



Increase the accuracy and timeliness of financial reporting



Implement a new and timely set of vendor analytics with centralized data to support decision making



Streamline the accounting process to make accurate comparisons quickly and gain sourcing leverage through competitive bidding processes.

One of the multinational's telecom vendors, which analyzed the impact of Paymaster, found:

- **More Timely Payments** – 90-day+ aging was at ~1.7% for transaction on the Paymaster platform vs. 90 day+ aging of ~72% for transactions that were not being managed through Paymaster
- **No Disputes** – the new process with Paymaster resulted in a very low volume of billable line items disputed, with little fallout requiring investigation and resolution
- **Low Overhead** – Allocation of resources to billing investigation and resolution became insignificant and the processes established for resolution worked well
- **Quick payback** – Receipt of on-time payments coupled with automation of audit capability and invoice validation was well worth the initial system setup

All the business units using the Paymaster platform are delighted by the competitive advantage it delivers. The corporation has also expanded Paymaster's use beyond IT shared services to other shared professional services including tax services, accounting services, BPOs, property management, and fleet management. Projects are presently underway to use Paymaster to streamline travel and utility bills, which tend to be complicated since local providers frequently issue paper bills.

Built by finance, accounting, and tax experts, FourQ is Intercompany Financial Management software that streamlines the global operations of the world's largest companies. Providing automated intercompany processing seamlessly integrated with global vendor invoice management, FourQ helps multinational companies increase efficiency and improve global business operations. This increases operational productivity while saving millions of dollars annually through improved intercompany billing and payment and tax optimization. Discover why FourQ processes over \$34 billion annually across 110 countries and how it can transform global operations at your organization.

To learn more, please visit  
[www.FourQ.com](http://www.FourQ.com)

